

New Hampshire Board of Accountancy
Minutes from the Public Session
Held

March 19, 2007

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Present: Professor Richard Hanson, CPA, Chairman, Jefferson Chickering, CPA Secretary, Deborah Butler, CPA, Wayne Geher, CPA, Sheila Christie, Esquire, Public Member and Owen Walton, Public Accountant.

1. **The March 19, 2007 public meeting convened at 8:50 and adjourned at 11:00 am. The non public session convened at 11:15 am and adjourned at 11:45 am. The Board met with counsel from 8:30 to 8:45 am.**
2. **The minutes from the February 12, 2007 Board meeting were accepted with minor changes.**
3. **The New Hampshire Society of Certified Public Accountants was represented by Marlene Gazda, CEO and Harold Williams, CPA.**
4. **New Language in Administrative Rules**

First item to be discussed was the request of the Executive Director for the Board to review additions to the current rules. The new language included, but was not limited to; defining "inactive" and "retired" status of licensees, guidance on relinquishing work papers by licensees, identifying individuals who had authority to sign experience letters, additional guidelines for disclosure for outsourcing and other rules to explain statutory requirements that are not currently in the administrative rules. The written text for the requested additions that the Executive Director presented to the Board members was for content only and not in rulemaking format and only for purposes of determining the context of the new rules. With permission from the Board for the additions, the Executive Director will have proper language drafted and the new language will be inserted in the appropriate chapters. The first draft of the rules will include these new rules for everyone to consider. The representatives of the NH Society were given a complimentary copy with the understanding that the Board had not voted on the final inclusion of the new language but only voted unanimously to give permission to the Executive Director to include these new rules into the first round draft so they could be considered by everyone within the full text of the draft. The Executive Director will forward a copy of the proposed draft to the Board members for review and they will be prepared to review the draft at the April 23, 2007 Board meeting.

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H. Increase in Examination Fees

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The individuals who are requesting this ruling sat in a state with the lowest requirements and now want to go to a state with more stringent requirements. The Board does not believe that the waiver applies in this situation. The Executive Director will consult with counsel before responding to the individuals.

B. Governmental Agency

An individual who passed the exam in New Hampshire requested a ruling on whether or not the “Bank of Jamaica” located in Jamaica is a “governmental agency”. After researching the bank’s history, it was discovered that the bank was created by an act of parliament and the bank is accountable to parliament. Furthermore, the bank is owned by the Government of Jamaica. Therefore, the ruling is that as it is currently structured the “Bank of Jamaica” is a governmental agency.

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The Board wanted it clear that they have reviewed only a draft and that this document was not in any way an official copy of the proposed language. The Board did discuss that they would like language in the draft that would ensure that Board members who sit on the panel would be licensed professionals. The Board felt that a minimum of two CPA's and one public member should be present for each adjudicatory proceeding.

The Society brought this bill to the attention of the Board as being a dangerous piece of legislation. It would allow judgments against defendants in a case to share responsibilities if a connection was established between the defendant and the matter. This judgment would be rendered regardless of the length of time that had transpired or the percentage of responsibility. Example, a small company dumps one 5 gallon container of toxic waste in a river, and a large company dumps 5 million gallons of toxic waste in the same river, if both are found guilty, they will share responsibility evenly. The Board will oppose this legislation. The Society will provide the Board with their analysis and their points of opposition and the Board will send a letter of opposition in support of the Society.

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